[Mr. S. Sundararajan.]

It would be an eye-opener to the Honourable members that the total expenditure of the State a quarter of a century ago was only in the neighbourhood of 1¼ crores and that it rose up to 2 crores *i. e.* by 33⅓ per cent. in 1100, another 15 per cent. by 1110 and has now touched 2¾ crores. Of the increase 32 lakhs has been under Education, 18 lakhs under Medical, Public Health and Public Works. The cost of collection of revenue has not shown any appreciable increase but maintenance of law and order has increased by about 10 lakhs.

75. A doubt may however arise whether, in spite of all these features, revenue has kept pace with the expenditure, and if so, why our revenue account has not always shown a surplus. My answer to this is that a surplus budget is not always an index to the prosperity of a country and that at times it may indicate a state of affairs where people are bearing an excessive burden of taxation. Our revenue has been allowed to grow only in the normal manner and the deficits during some of the recent years are due only to extraordinary circumstances for meeting which there were sufficient resources.

76. The budget for the coming year as a whole anticipates a surplus of Rs 13·67 lakhs. It is not the intention of Government that this surplus should be merged in the balances in a manner not easily available for special or unforeseen purposes. I have already stated that Government propose to set apart Rs 5 lakhs as contribution to a Distress Relief Fund. The balance as well as whatever may eventually be available as revenue surplus in the current year will be transferred to the Revenue Reserve Fund instituted for drawal in lean years.

Capital Budget.

77. Before taking up the capital estimates, I wish to make an observation on a small alteration which I have made in the presentation of the demand. It has hitherto been the practice to show schemes expected to bring in revenue under a section of the Debt Head bearing the title 'Reproductive Schemes.' The debt head as an account head is usually intended for accommodating transactions of a purely banking nature and should not be used as a vehicle for exhibiting transactions involving creation of concrete assets. I am accordingly taking the estimates relating to such expenditure also under capital. The estimates under our important capital works are the following :—

LIBRARY ARCHIVES Kerala Legislative Assembly

	Rs. in lakhs.
Town Improvement schemes ...	2·50
Water Supply schemes ..	6·86
Drainage schemes ...	5·22
Buildings and Communications ...	7·90
University buildings ...	1·00
Construction of a tobacco bankshall ...	·30
Military buildings ...	2·00
Electricity ..	17·94
Telephone ..	4·45
Broadcasting ...	·50
Clay Refining Factory	1·85
Commercial Transport ...	2·52
Total ...	53·04

The expenditure budgeted amounts to Rs 55·47 lakhs against Rs 47·38 lakhs expected to be spent this year and is proposed to be met entirely from the balances. I shall give a brief account of the nature of the outlay under each of these schemes.

78. *Town Improvement schemes.* The scheme includes improvement of the Thampanur Valley as a high class residential area, construction of 5 blocks of buildings opposite the Museum to accommodate Government Offices and a programme of special surfacing on the main roads inside the town. Besides these, the beach area bounded by the coast line on the west, the Parvathy Puthanar Canal on the east and the Municipal town limits on the north and south will be brought under the Town Planning scheme.

The total capital outlay on the schemes till the end of this year is expected to stand at Rs 13·16 lakhs. For the completion of the schemes now in progress and for taking up new ones, a sum of Rs 2·5 lakhs has been provided in the budget for 1116.

79. *Water Supply schemes.* The Willingdon Water Supply Scheme has been completed; still as in all cases of this nature a few supplemental works including street main extension works remain, for meeting which, a provision of Rs 36,700 is made in the budget.

Of the Mofussil Water supply schemes, the Alleppey Water supply scheme has been completed and formally opened a fortnight ago; the Shencottah scheme is nearing completion. The Nagercoil Water Works have also been taken on hand where notwithstanding handicaps encountered arising out of the international situation, the work is programmed to be pushed through with an outlay of Rs 4·44 lakhs in the next

LIBRARY ARCHIVES Kerala Legislative Assembly

[Mr. S. Sundararajan.]

year. Provision is also made for giving the finishing touches to the Shencottah and Alleppey schemes and for the investigations at Kuttanad, Shertallai, Kottayam, Muttam, and Bhoothapandy which all badly stand in need of good water.

80. *Drainage Schemes.* First let me give an idea of what is done in the direction at Trivandrum. House connection work for about 1000 houses has already been completed and it is expected that the works of sewer laying, construction of manholes, ventilators and air inlets and the house connection works for the whole of one portion of the work,—Block A—would all be completed by the middle of 1116 M. E. The progress of work was to a certain extent retarded as pipes required could not be procured in time and the pumping plant did not arrive as programmed. But we hope to make up for the delays, install the pumps and bring the scheme into service before the end of 1116 M. E. In addition, works connected with the sewage farm and storm water improvements in the Thekkanankara channel and the storm water drain from Altharamukku to Cochar will also be taken up. It will also be possible to take up the investigation of the Alleppey Drainage Scheme.

81. *Buildings and Communications.* (i) The road policy of Government has been both forward and far reaching and aims not only at aiding the transport to earn its revenue by minimising working expenses, but confers all the benefits on the entire people affected by the traffic in the roads.

The first step in this direction is providing dustless surfacing to the Main Southern Road. This work which was taken up towards the close of last year is showing rapid progress and the full allotment of Rs 7 lakhs provided this year is expected to be spent and the work completed during the latter half of 1116. A provision of Rs 7·75 lakhs is accordingly made on this account.

(ii) A sum of Rs 15,000 is provided in the budget of next year to settle liabilities and close the accounts of the Council Chamber work and another Rs 30,000 earmarked for the construction of the Tobacco Bankshall.

(iii) *University buildings.* The programme of reorganisation of the Public Works Department Workshops in coordination with the Faculty of Technology is being carried out and improvements and special repairs to various buildings under the control of the University proceed apace. The total outlay to end of this year is expected to be Rs 1·17 lakhs and another lakh will be spent next year.

(iv) *Military buildings.* The construction of buildings inside the State Forces Head Quarters at Pangode is being continued strictly in accordance with the programme approved by the Government and the Army Committee and an amount of Rs 1·30 lakhs is expected to be spent this year on

LIBRARY ARCHIVES Kerala Legislative Assembly

the works. The extent of future commitments on the scheme is however a little obscure in the present conditions, but a lump sum of Rs 2 lakhs has been provided in the budget which I expect will be fully spent.

Electrical Schemes.

82. *Pallivasal Hydro Electric Scheme.* Almost all the works in connection with the first stage of the development of the Pallivasal Hydro Electric Project were completed and the scheme brought into commercial operation from the 19th March 1940. The entire load of the Quilon Electric Supply was changed over to the Hydro Electric Supply system by the 3rd May. The whole distribution net work of the Kannan Devan Hills Produce Company was connected to the Pallivasal system on the 13th April and the Kottayam Electric Supply Licensee changed over to Hydro Electric power on the 17th. All the thermal plants which were supplying power to the areas covered by the Pallivasal net work have now been shut down. The total capital outlay on the scheme including Civil and Electrical works is expected to stand at Rs 137·05 lakhs at the close of this year and for the next year a provision of Rs 17·52 lakhs has been made.

83. *Trivandrum Electric Supply.* The total capital outlay on this scheme is expected to stand at Rs 11·08 lakhs at the end of the current year and an expenditure of Rs 0·43 of a lakh budgeted for the next year.

84. *Telephone Schemes.* The major portion of the work in connection with the Trunk Telephone Scheme has been completed and the system was connected with British India Trunk during April 1940 from which date the Trivandrum Telephone became merged in the Trunk system. There are now 507 miles of Trunk line circuits, 24 public call offices, 4 main and 6 sub exchanges. The total capital expenditure at the end of the current year is expected to stand at Rs 8·82 lakhs. An amount of Rs 4·45 lakhs is budgeted for the next year.

85. *Broadcasting Scheme.* Negotiations for the purchase and shipment of the equipment proceeded up to a certain stage. It is now definitely known that it will not be available for the present. It is accordingly proposed to carry on only the building programme for which a provision of Rs 50,000 has been made.

86. *The Clay Refining and Porcelain Factory.* The Public Works Department expect to incur an outlay of Rs 10,000 in respect of the works which they have still to complete. Over and above these, with a view to increasing the output of clay, a provision of Rs 1·75 lakhs has been made for the next year and the provision will be utilised in the purchase of machines, extension and improvements to the existing channels and for other construction works in the factory.

LIBRARY ARCHIVES Kerala Legislative Assembly